

**Federal Energy  
Hearings  
1976**

**Federal Energy Hearings**

***Public Hearings***

**Fairbanks**

**1976**

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THURSDAY, APRIL 8th

CHAIRMAN JACK B. ROBERTSON presiding.

Ladies and gentlemen, I want to say a few opening words about this conference.

As you know, we have been holding public hearings concerning Petroleum Reserve No. 4. The first hearing was held in Anchorage yesterday, and extended over until today, and then there is a formal hearing to be held in Barrow on the 10th, which is Saturday.

Because of the desire of citizens here in Fairbanks to also input to our study, we are denominating this as a conference as distinct from a public hearing - because if we call it a public hearing we have to publish it in the Federal Register, and I haven't published it in the Federal Register - and then I'm in trouble. So, I want the record to show that this is a conference.

I am Jack B. Robertson, I am the Regional Administrator of the Federal Energy Administration, Federal Region X, based in Seattle. I have with me today at my left Dr. Robert Davies - he is Director of the Strategic Petroleum Reserve Office, Federal Energy Administration, Washington, D.C.

Next to him is Dick LeDesquit, District Manager of the Bureau of Land Management Fairbanks; next to him is

1 Lieutenant Commander Terrance Wood, Officer in Charge,  
2 NPR #4, Department of Navy, and across from him is  
3 Mr. George Gryc, Regional Geologist, Western Region,  
4 United States Geological Survey.

5 The Energy Policy and Conservation Act, which became  
6 law on the 22nd of December required that the adminis-  
7 trator of the Federal Energy Administration, and I will  
8 quote from it, "Shall, in cooperation and consultation  
9 with the Secretary of the Navy, Secretary of Interior,  
10 develop and submit to the Congress within 180 days  
11 after the day of enactment of this act, a written  
12 report recommending procedures for exploration  
13 development, and production of Naval Petroleum  
14 Reserve #4. This report shall include recommendations  
15 for protecting the economic social environmental  
16 interests of Alaska Natives residing within the  
17 Petroleum Reserve #4, and analysis of arrangements  
18 which provide for one, participation by private  
19 industry and private capital; and, two, leasing  
20 to private industry.

21 The Secretary of the Navy and Secretary of Interior  
22 shall cooperate totally with one another and with  
23 the Federal Energy Administration administrator.

24 The Secretary of the Navy shall provide to the  
25 Administrator and the Secretary of Interior, all relevant

1 data on the Petroleum Reserve #4, in order to assist  
2 the Federal Energy Administration in preparation of  
3 such reports." (reading from document).

4 I would like to tell you some of the things we are  
5 looking for.

6 We are looking for basic information and data with  
7 respect to the Petroleum reserve, and the information  
8 we seek will include the estimate of undiscovered  
9 and recoverable resources, data and geologic and  
10 geophysical aspects of the reserves and climatic  
11 and meteorological data.

12 We would also appreciate any information on the  
13 existing proposed transportation networks and  
14 corridors.

15 We are interested in information on existing labor  
16 base and the cost of materials.

17 We are also interested in the scope of alternative  
18 exploration programs necessary to explore the  
19 petroleum reserve.

20 Here we seek information to help us develop a  
21 number of alternative programs which would reflect  
22 varying rates of exploration, as well as potential  
23 exploratory zones.

24 We are interested in all alternate and development  
25 and production efforts needed to bring NPR #4 into

1 production at the earliest time, and maximize the  
2 present value of reserve.

3 Now, the Federal Energy Administration plans to  
4 define three alternative developments, and production  
5 scenario is based on small, medium and large findings  
6 of oil.

7 In order to define these scenarios, we are interested  
8 in estimates of possible resource and identification  
9 of existing and potential constraints on such  
10 development.

11 We are also looking for alternative means of achieving  
12 government exploration goals for NPR #4. Here  
13 we seek data on a range of alternative -- institutional  
14 arrangements and distribution costs in risk and  
15 benefits of each.

16 This includes possible participation by private  
17 industry, government or a combination of both.  
18 And finally, we are interested in looking into a  
19 social economic environmental impact of NPR  
20 exploration development and production in the State  
21 of Alaska, and, also, on the Alaska Natives.

22 We are interested in your views that will focus on  
23 specific environmental problems and specific  
24 recommendations to immediate any adverse impact.

25 Now, with that as an introduction, I would be

1 interested in what you have to tell us on this  
2 subject, what advice you have for us, and with that  
3 I will call the first speaker that is registered,  
4 Mr. Michael T. Cook, representing the Fairbanks  
5 Chamber of Commerce, do I have that right.  
6 Come forth and sit in one of these chairs and give  
7 us the benefit of your advice.

8 MR. COOK:

9 Well, since I am president of the Fairbanks Chamber,  
10 I should and will say I am glad to see you in  
11 Fairbanks, and have a chance to talk to you.

12 As you probably heard, we were hurt when he heard  
13 that there were no public hearings planned for  
14 Fairbanks, and fortunately you were able to show  
15 up here, and I think that is going to be useful  
16 for us and to you.

17 There are probably three topics that I should say  
18 something about. One of them is that when you are  
19 dealing with exploring in the north, be sure that  
20 you remember that Fairbanks considers itself, and  
21 is, and has been, the service and supply center  
22 for the oilfields and Prudhoe, so we are exper-  
23 ienced and have considerable facilities that I  
24 think could be made use of.

25 In the way of transportation, there is the railroad



1 that ends here, and anything that needs to be  
2 shipped up could be hauled that way.

3 There are trucking firms, air taxis, helicopter  
4 services, equipment supply houses and a lot of  
5 personnel here, and being made good use of.

6 Remember that as the construction of the oil  
7 pipeline grinds down, some of these facilities  
8 will be even more available while you are working  
9 on PET #4.

10 Fairbanks people will be interested in the work.  
11 We have had a lot of new people move here during  
12 the oil pipeline construction, and the good ones  
13 we would like to see stay, and more employment  
14 for them, the better off we will be.

15 I think you will find that we are interested in  
16 whatever we could do to help in the way of service  
17 and supply aspect of the exploration up there.

18 Another area that you will find that Fairbanks is  
19 concerned about is the availability of gas and  
20 oil for use in Alaska.

21 We know that some of the gas in that field is being  
22 used now by the Natives, and should continue to be.

23 If there are strategies that you could use during  
24 your exploration to make gas available to others in  
25 the north who want it, early on, that would probably

1 be very helpful.  
2 Fairbanksans are extremely concerned about making  
3 sure that a TransAlaska gas pipeline is built, and  
4 if there is any strategies that you could use during  
5 your exporation that would encourage that process,  
6 we would appreciate that.  
7 I don't know what that might be, but if there  
8 was reason to want to pull resources out of NPR #4  
9 early, and you are able to do it in such a way --  
10 or explore and look in such a way that you would  
11 be able to see yourself loading the TransAlaska  
12 gas pipeline, that would be something we would be  
13 pleased with.  
14 Those are three areas that I could think of from  
15 my standpoint that we would be interested in having  
16 you consider.  
17 If you have any questions for me I would be glad to  
18 try to answer them.

19 MR. ROBERTSON:

20 Members of the panel, do you have any questions?

21 MR. Davies?

22 MR. DAVIES:

23 I guess the haul road .....

24 MR. COOK:

25 The highway to Prudhoe Bay.

1 MR. DAVIES:

2 Whatever that term is.

3 What is going to happen to that road?

4 MR. COOK:

5 I would like to think that it would be as open to  
6 traffic as is practical, to the general public, and  
7 if there is good reason for using it.

8 It would seem to me that it would be a facility  
9 that you would be interested in wanting to use to  
10 economically explore NPR #4. If something like  
11 that is not available, I think you would find your  
12 job more difficult than if it were closed.

13 My expectation is that that road will be open and  
14 available for use, and that you could make good use  
15 of it.

16 MR. DAVIES:

17 Of course, the road does not go to PET #4.

18 MR. COOK:

19 No. It would be a matter of -- from our standpoint,  
20 if it were lengthened into PET #4, my feeling is,  
21 that's fine. I don't know whether you would find  
22 people that would resist that. I suspect that you  
23 would find that some would resist that.

24 Whether or not you would see yourself being able to,  
25 more economically transport into the north by

1 using the road and perhaps flying from Deadhorse,  
2 that, to me, might be a possibility for you.

3 MR. GRYC:

4 Just what is the procedure, or how is it determined  
5 whether that road is going to stay open or not?

6 MR. COOK:

7 Let's see, who is here that is more of an expert  
8 than I am.

9 Let me see how I do with it.

10 MRS. WALTON:

11 We'll correct you if you are wrong.

12 MR. COOK:

13 My expectation would be that -- the State will  
14 develop a position that has to be taken sometime  
15 in 1977, when Alyeska is finished. The more  
16 pressure that is put on to use the road constructively  
17 for things like developing resources of the type  
18 that Alaskans see as good development.  
19 You see, oil and gas is good development for this  
20 state, but one thing is, it has a potential of  
21 supplying energy. For another thing, it generally  
22 employs high paid people, and unless you employ  
23 high paid people, you can't afford to live in  
24 Alaska, and we, the people, are placed in good  
25 employment.

1 Another thing is that we know that people from the  
2 other states would want to come up to a less  
3 populated area. They do -- they want to live here,  
4 we want to be able to provide them with a comfortable  
5 place.

6 So that road, economically to Fairbanks -- to  
7 Fairbanks, it is very important economically. To  
8 oil exploration and development, it is very  
9 important economically.

10 As these things are seen, I think that the State  
11 will look for ways to keep that road open,  
12 especially if they could see the fuel tax revenues  
13 and that are going to be enough to offset a good  
14 part of the maintenance, and I think you will find  
15 that when the decision time comes, that there will  
16 be -- that the State will find that they want to  
17 keep it open, and for various reasons, they have to.

18 MR. DAVIES:

19 Is there a very strong public stand one way or the  
20 other?

21 MR. COOK:

22 There is strong public stand both ways.

23 MR. DAVIES:

24 Is there a concensus, or was it divided?  
25

1 MR. COOK:

2 From my standpoint, the only practical consensus is  
3 to keep it open, but you will find that there is not  
4 a consensus. It creates a lot of conversation.

5 I think that the thing is weighted, really, towards  
6 most people see that if we want to live the way we  
7 want to live, some of these things have to be done,  
8 whether we like it or not. So, I think it will  
9 be open.

10 If you need it, that is one more good reason to  
11 keep it open.

12 MR. ROBERTSON:

13 Any other questions from the panel?

14 I wonder if somebody else in the audience that knows  
15 about the road, and has views on that road, could  
16 share those views with us.

17 Yes, could you stand and give your name?

18 MS. STONOROV:

19 I'm from the Alaska Conservation Society.

20 MR. ROBERTSON:

21 Will you speak next?

22 MS.. STONOROV:

23 Yeah. I am the executive secretary of the Alaska  
24 Conservation Society, which is a statewide organiza-  
25 tion with a thousand members and eight chapters

1                   that are located in Ketchikan, Petersburg, Sitka,  
2                   Kodiak, Homer, Kenai, Anchorage and Fairbanks.

3       MR. ROBERTSON:

4                   What is your name, please?

5       MS. STONOROV:

6                   Tina Stonorov -- S-t-o-n-o-r-o-v.

7                   And I do have -- the Society has a position statement  
8                   on Naval Petroleum Reserve #4, which I have copies  
9                   of here and can read if you want.

10                  Our primary concern is that surface values be  
11                  protected on PET #4.

12                  Then you were talking about the haul road.   We have  
13                  a position statement on the haul road which reviews  
14                  our involvement with the question of it being open  
15                  to the public, and I also have a position  
16                  paper here on production and transportation of  
17                  natural gas to Prudhoe Bay, and you were talking  
18                  about that subject as well, so maybe that is  
19                  appropriate.

20                  Since this is about PET #4, maybe I should read  
21                  this, or did you have it read to you yesterday in  
22                  Anchorage?

23       MR. ROBERTSON:

24                  There was a representative from one of the  
25                  conservation organizations.       However, I think it

1                   would help us if you would summarize what the  
2                   statement is and then give copies to Mr. Don Jean  
3                   sitting there, and we will have copies then made  
4                   for all the people.

5       MS. STONOROV:

6                   I have several copies of it here.

7       MR. ROBERTSON:

8                   Virginia Dow, did she .....

9       MS. STONOROV:

10                  Yeah, she read it yesterday, because we didn't know  
11                  you were going to have a hearing here.

12                  The PET -- the haul road, I have one copy of that.  
13                  It's quite long. Our position, very briefly, has  
14                  been that -- I'll just read a short part of it, if  
15                  you want me to do that.

16       MR. ROBERTSON:

17                  Okay.

18       MS. STONOROV:

19                  The Alaska Conservation Society has had a continuing  
20                  deep interest in the proper management of all Alaskan  
21                  lands, including lands of Northern Alaska adjacent  
22                  to or effected by the TransAlaska Oil Pipeline and  
23                  haul road corridor.

24                  We are concerned that all of the values, Alaska and  
25                  the rest of the U. S. proceed in this great northern



1 hitherland be understood and considered with  
2 comprehensive sensitivity.

3 We are concerned that no action, based on issues of  
4 narrow scope and expedience be taken that would fort  
5 the broad public interest.

6 The State should not let the Bureau of Land  
7 Management and the small number of bus companies  
8 badger it into a premature decision on the pretext  
9 of the necessity for such a decision in order to  
10 adequately plan for use of the corridor, which has  
11 not yet been determined to be in the public interest.  
12 (reading from document).

13 This was written to be read at the recent Alaska  
14 Growth Policy Council Hearings on the haul road.  
15 In September 1974 the Society participated as a  
16 formal protestant in a prehearing conference before  
17 the Alaska Transportation Commission in the matter  
18 of requests from bus companies for certificates of  
19 convenience and necessity to permit them to carry  
20 tourists over the haul road.

21 At the time the ATC accepted memos of law with  
22 respect to whether or not the ATC had jurisdiction  
23 over the road, and its ability to grant the permit.  
24 We are questioning whether this had been resolved,  
25 and whether the state has jurisdiction over the road

1 at this point.

2 In addition to participating before the Alaska  
3 Transportation Commission, the Society has also  
4 attending briefings by the Bureau of Land Management  
5 by invitation on its plans for the tax corridor.  
6 In a letter to the Bureau of Land Management the  
7 Society expressed dismay at the BLM's proposed  
8 plan which prematurely assumed that the road would  
9 be open to the public.

10 The plan incorporated provisions for industrial,  
11 commercial and residential uses north of the Yukon,  
12 which we felt were clearly inappropriate.

13 The letter expressed sympathy with the BLM's  
14 attempts to plan ahead for the corridor, but stated  
15 that the Society felt that the process at that time  
16 was conducted behind closed doors, and had not  
17 involved other state and federal agencies with  
18 responsibilities in that area, nor did the BLM comply  
19 with NEPA, in that they did not, at that time,  
20 propose to produce an environmenal impact statement  
21 for review by the public.

22 And then the road presently running from the Yukon  
23 River to Prudhoe Bay was one that was built by  
24 Alyeska with its contractors as a means to make  
25 possible the construction of the northern half of

1 the TransAlaska oil pipeline.

2 The authority for construction, including the right-of-  
3 way, gravel sources, et cetera, is the TransAlaska  
4 Pipeline Authozation Act of 1973, and amendment to  
5 the Mineral Leasing Act of 1920.

6 The entire purpose of this Act in the language of  
7 the Act, indicate that Congress proceed and  
8 authorize the road as the necessary precursor to the  
9 Pipeline itself. Nothing in the act indicates that  
10 Congress considered the haul road as a public  
11 highway, and, especially, one finds no evidence  
12 that the intent of congress was to weigh further  
13 proceedings under the National Environmental  
14 Policy Act for the road in any capacity, other than  
15 as a pipeline construction facility.

16 Then we go on to say that the pipeline haul road  
17 was built to specifications similar to those of a  
18 gravel surfaced public highway. This was done by  
19 Alyeska at the request of the Alaska Department of  
20 Highways.

21 In interpreting this request, we should recall that  
22 former Governor Keith Miller asked the 1970  
23 legislature to appropriate money for the road. A  
24 request the legislature wisely and resoundingly  
25 refused.

1 We should also remember the State could have planned  
2 this road as part of its Federal Aid Highway System,  
3 like every other major road in the state.

4 The cost of the State would, in such a case, be  
5 five to six percent of the total construction cost,  
6 the rest coming from the Federal Highway Trust  
7 Fund. This is less, by far, than the State will  
8 have to pay by having Alyeska build in excess of  
9 its needs, as the cost of the road will add to oil  
10 transport costs, reduce well head prices for oil,  
11 and hence reduce State revenues.

12 The Alaska Conservation Society concludes that the  
13 agreement between the State and Alyeska was a way  
14 for the State to avoid the requirements of planning  
15 inherent in the Department of Transportation  
16 procedure, the Fish and Wildlife Coordination  
17 Act and the National Environmental Policy Act.  
18 Clearly Congress, in including the haul road in its  
19 favorable action to the TransAlaska Oil Pipeline  
20 decision, didn't make a decision to open northern  
21 Alaska with a public highway.

22 We are opposed to the road being open, and this goes  
23 on quite a bit longer, but I won't read all of it.  
24 That is the background and the basis for our position.  
25 And you can all make copies of this, and I will give

1 a copy to him.

2 MR. ROBERTSON:

3 Any further questions from the panel?

4 MR. DAVIES:

5 I'm trying to understand the position. Isn't it  
6 a fact there are additional resources to be  
7 developed as a result of the road being there, and  
8 and environmental impact statement -- what would your  
9 position be?

10 MS. STONOROV:

11 Well, maybe I better read the rest of this.  
12 The Alaska Conservation Society is opposed to opening  
13 the road. We think that public acceptance of this  
14 road to be delayed until we know what we are getting  
15 into.

16 We are aware of mineral deposits in this area, and  
17 believe they could be exploited without the road.  
18 Studies have been undertaken relating to this  
19 matter. MIRL Report #29, and an FAA study of  
20 air transport costs as compared to highway transport  
21 costs over the Hickel Highway. Those are two  
22 studies.

23 We are concerned about recreational values in the  
24 Brooks Range that would be destroyed by such a  
25 road.

1 North of the Yukon does have (indiscernible) in any  
2 people, and the lure of opening it up is before us.  
3 That present value, and the benefit it imparts to  
4 people that are visiting or contemplating it, will  
5 not be diminished, rather, it will always become  
6 greater if the area is not connected to the vehicle  
7 population of North America.

8 Access is not being denied. The area's charm has  
9 been, and will continue to be enhanced by the more  
10 unique means of travel available. Riverboat, aircraft  
11 dog sled, snow machine, snow shoe and shoe leather.  
12 Villages have been and will continue to have access  
13 to fresh -- continue to be relatively safe from  
14 marauding wheeled (indiscernible), yet will have  
15 access to fresh groceries, fuel, mail, movies,  
16 libraries, schools, electronic communication and  
17 building goods.

18 Resource extraction can be accomplished as can  
19 guided tours for everyone. Hunting, trapping,  
20 fishing, hiking and boating are available and are  
21 quality experiences in the absence of roads.

22 Another concern is that we know that studies of  
23 caribou and moose, and their ability to move freely  
24 back and forth in this area are currently underway.  
25 We cannot afford to strengthen the road barrier until

1 we know more about their movements and the effects of  
2 the road on them.

3 The time has come to anticipate the coming realities  
4 that our energy using binge is over, and that the  
5 automobile highway petroleum industrial complex  
6 faces the end of its ability mercilessly to  
7 proliferate across the faces of our landscapes and  
8 habitats.

9 The era of this proliferation in U. S. history will  
10 be looked upon as wasteful, wanton, inhuman in its  
11 effects on people's homes and community fabric  
12 and thoughtlessly destructive of wild lands and  
13 scenic values.

14 The Alaska Conservation Society in this historical  
15 context, and in consideration, not only for  
16 conservation of wild land values north of the Yukon  
17 River, but also considerations for the riches of  
18 our Native Alaska Community for selfdetermination  
19 in choosing the options they could live best with  
20 has made these observations and recommendations.

21 So does that answer your -- that was the rest of  
22 the statement. I actually didn't think we would  
23 be talking about it today. I will be glad to leave  
24 it here.  
25

1 MR. ROBERTSON:

2 Are there other questions from the panel?

3 MR. WOOD:

4 Presumably in view of your position, you would also  
5 oppose the extension of that road for any road  
6 system into Naval Petroleum Reserve #4?

7 MS. STONOROV:

8 The extension of this road into the Petroleum  
9 Reserve -- I would rather not speak for the  
10 Society until -- that has not been taken up by the  
11 board, and I would rather not say point blank that  
12 we would or would not.  
13 We are opposed to opening up that road until we  
14 know more of what we are getting into, is what this  
15 statement says, and I think I just better leave it  
16 at that for right now.

17 MR. WOOD:

18 Thank you.

19 MR. ROBERTSON:

20 Any other questions.

21 MR. GRYC:

22 The Hickel Highway you referred to, of course, is  
23 not the haul road, is that correct?

24 MS. STONOROV:

25 It's not the haul road, but it is parallel to the



1 haul road, let's put it that way, going to the same  
2 place from the same place.

3 MR. GRYC:

4 Studies cite it was the Hickel Highway and not the  
5 haul road?

6 MS. STONOROV:

7 That is correct. But the Hickel Highway goes to  
8 Prodhoe Bay from Fairbanks. That was the point  
9 of that being in there.

10 MR. ROBERTSON:

11 Any other questions from the panel?

12 Thank you.

13 MR. COOK:

14 Since you got into that so deep, there is a couple of  
15 things that I might say that would be useful.  
16 For one thing, you might say I represent the  
17 membership of close to four hundred seven thousand  
18 or eight thousand jobs, but in regard to the Bureau  
19 of Land Management, they did a good job in mine and  
20 other people of many other's views of anticipating  
21 the possibility of that road -- the probability of  
22 that road being open, and in getting some preliminary  
23 data together so we have -- as Alaskans, have  
24 something to work with. And I think BLM should be  
25 complimented for showing the initiative to do that

1 before many other people were -- there are talks  
2 about a number of assumptions. Many people --  
3 I think most people assume that the road will be  
4 open after Alyeska was finished.  
5 And another thing is, a lot of us recognize that  
6 Alaska is short of roads. We don't have public  
7 access to -- convenient public access to enough of  
8 our country.  
9 And I think that another thing that some of these  
10 views indicate is that they distrust the free  
11 enterprise system to do what has been seen that it  
12 can do, and that is develop things logically, as  
13 long as we know what the rules are.  
14 It tells you the rules if you are in a position of  
15 doing so. The free enterprise system can and has  
16 done a beautiful job of it, but there are a lot of --  
17 as you can see from her presentation, from some of  
18 the things I would say, there are a lot of  
19 differences of opinion, but I want you to be very  
20 careful to be sure that you get a balance for them,  
21 and be sure that you are getting the opinions of --  
22 you are trying to get an evaluation of how many  
23 people in those opinions are genuinely represented.

24 MR. ROBERTSON:

25 Thank you, Mr. Cook.

1 Are there -- is there anyone else in the audience  
2 that would like to speak on the haul road?

3 Please come forward.

4 Please give your name and affiliation.

5 MR. KAWALSKI:

6 My name is Jim Kawalski, and I am the Alaska Field  
7 Representative for Friends of the Earth, and also  
8 the executive director of the Fairbanks Environmental  
9 Center.

10 I just wanted to sort of try to answer Dr. Davies'  
11 question or suggest that you look, or request of  
12 the Governor's Policy Council, the results of their  
13 recent five public meetings that were held around  
14 the state, to try to get a better answer to your  
15 question, about how Alaskans feel about the haul  
16 road.

17 That was really the only point I wanted to make.

18 I should, maybe, reinforce Tina's point. Congress  
19 authorized a haul road, which turned out to be a  
20 public highway, because they accepted the 1971  
21 agreement on face value without examining it, is  
22 what they -- it was, essentially, a contract, which  
23 said a State highway would be open -- that is, the  
24 haul road would be open as a public highway, after  
25 it was turned over to the State of Alaska.

1 In the process of doing that, then the haul road  
2 was, as a public highway, exempted from further  
3 scrutiny under the National Environmental Policy  
4 Act, processed along with the Pipeline. As we all  
5 know, the Pipeline was exempted by authorization of  
6 Congress from further scrutiny NEPA, and by a  
7 colloquy between Senator Stevens and Senator  
8 Jackson. The haul road and three state airports  
9 got quickly included in that exemption.  
10 Some of us were a little disappointed. We weren't  
11 on the ball. I think we could have at least made  
12 a little more sense out of it at the time, but we  
13 were asleep at the switch, I'm afraid.  
14 So I wish you would look at that.  
15 It seems to me the, though, the question is, whether  
16 the haul road is a public highway or one that you  
17 could -- more or less as it is being used now, for  
18 what we might call industrial purposes. That  
19 question isn't clear in my mind as to what you  
20 are asking -- as to whether you are asking that,  
21 or whether you are asking about the public  
22 uses of highway.  
23 I just started reading Mr. Robertson's speech on  
24 the best potential energy source is fuel conservation,  
25 and I wonder if we are talking about a public

1 highway, or we are talking about an industrial  
2 highway.

3 MR. DAVIES:

4 I guess my question stems that there perhaps may  
5 not be a great need to haul large quantities of  
6 material during the exploration phase than during  
7 the production phase, and if we go into the production  
8 of PET #4, there would be, and this would be one  
9 alternative. And if the road was kept closed  
10 and not available, then that reduces the  
11 (indiscernible).

12 Since there is no law, and this study and the far  
13 along study and the bill that was signed by the  
14 president three days ago, which will continue to  
15 look after ways to explore and produce PET #4,  
16 and also can lead to recommendations by legislation,  
17 that whatever options might be foreclosed by the time  
18 we can get ready for production.

19 That is why I was questioning .....

20 MR. KAWALSKI:

21 Could I -- I just have a couple of brief things to  
22 say and then I won't have to come back. Could I  
23 do that now?

24 MR. ROBERTSON:

25 Please continue.

1 MR. KAWALSKI:

2 We are interested in the provisions that now appear  
3 in the conference report, which I misplaced and  
4 didn't get to read, but I did see that the conferees  
5 in their report did ask for the formation of a  
6 task force that would involve a number of interest  
7 who would explore surface values that would be in  
8 addition to those subsurface values that you are  
9 mostly interested in, and I just wanted to emphasize  
10 that that is a very -- I think a very serious  
11 concern.

12 We want to see that done properly. There are some  
13 sensitive areas in PET #4, particularly the Utikok  
14 camping grounds for the Western Arctic Caribou  
15 herd, also the Tshipuk (phonetic) Lake Region, which  
16 is a very important waterfowl breeding habitat.  
17 I believe the initial concern over these two areas  
18 is probably the reason why that task force provision  
19 ended up in there.

20 There has been a tremendous concern, in recent  
21 weeks, at the annual meeting of the Board of Game  
22 which set policies for the Fish and Game Department  
23 with regard to the very rapid decline of the Arctic  
24 Caribou herd.

25 I think the number is something like 100,000

1 estimated that it has dropped, and -- within recent  
2 years, so there is a very dynamic situation going  
3 on up there with regard to caribou, and caribou  
4 population effects many people beyond those of the  
5 North Slope.

6 In fact, the entire Kobuk River Region and even  
7 over into Aniktuvik (phonetic), and into the upper  
8 regions of the Koyukuk (phonetic) River, where  
9 people live to depend on winter caribou, and the  
10 decline is now worrying them.

11 The bag limits have been set for the first time,  
12 where, previously there was no limit, in terms of  
13 hunting.

14 So what happens in the Koyukuk area could effect a  
15 great area south and west of PET #4, so I hope you  
16 are aware of that. You will give that special  
17 emphasis.

18 MR. DAVIES:

19 Well, one of the explicit charges in the legislation  
20 is that we do consider the environmental social  
21 and economic impact upon -- words in the legislation  
22 on the Alaska Natives. Could we have interpreted  
23 that in a much broader context.

24 So this is one of the purposes we are here this  
25 week, just exactly what you are talking about now.

1                   We appreciate your appearing.

2       MR. KAWALSKI:

3                   Well, that's all I have to say.

4       MR. ROBERTSON:

5                   Are there other questions from the panel?

6                   Thank you, Mr. Kawalski.

7       MRS. WALTON:

8                   Are you through with the roads?

9       MR. ROBERTSON:

10                  If you want to talk to us on the road, we would like  
11                  to hear from you.

12       MRS. WALTON:

13                  I would just like to say that you are kind of  
14                  drawboarding that to death, and the road is going  
15                  to remain open, and thank God for Senator Stevens,  
16                  that he did get this exemption in there.  
17                  The road was built in 154 days. If the State was  
18                  allowed to build it it would take 20 years.  
19                  You wouldn't have an option for transportation. You  
20                  would decline it, or you would be going by ocean.  
21                  I think the concensus is more than a concensus.  
22                  The majority of the people in the state are for it.  
23                  I could talk to you in detail on that, and I probably  
24                  am the only woman that has been over it four times,  
25                  and I just got back -- except the truck drivers.



1 I am very interested in it and I could tell you a  
2 lot about it, and it will remain open.

3 MR. ROBERTSON:

4 By the way .....

5 MRS. WALTON:

6 I would like to go on to these other subjects, like  
7 the geology and reserves and all the things that  
8 you are really interested in for PET #4.

9 MR. ROBERTSON:

10 I would like to have you come to the table, and I  
11 would like to get your name and your affiliation  
12 and let's take up the other topics, also.

13 MRS. WALTON:

14 I don't want to talk about them. There are experts  
15 here. I mean, there are experts all over this  
16 room to talk about those subjects.

17 MR. ROBERTSON:

18 All right. Would you give us your name, please.

19 MRS. WALTON:

20 Yeah. Mike Walton.

21 MR. ROBERTSON:

22 And your affiliation?

23 MRS. WALTON:

24 I work for Senator Ted Stevens.

25

1 MR. ROBERTSON:

2 All right.

3 The next person signed up to talk is Mr. John Cook.

4 MR. COOK:

5 I'm not really following you around, I got here  
6 before you did. I didn't know you were going to  
7 have a hearing here, also.

8 MR. ROBERTSON:

9 Would you state your affiliation?

10 MR. COOK:

11 John Cook. Archeologist. I'm research archeologist  
12 at the University with the Insitute of Arctic  
13 Biology.

14 Although this is not -- my comments here are not  
15 particularly on archeology -- I gave that yesterday,  
16 and I think I will let that stand pretty well.

17 I did have another concern, and it is associated  
18 with archeology, in the sense that you are interest  
19 in all data coming from and going to PET #4.

20 Some of the testimony yesterday concerned the  
21 release -- the public release of seismic data,  
22 geologic data. However, there was something  
23 sort of lacking, and that is one of the key  
24 areas in terms of research, knowledge for early  
25 man studies, is the geomorphic history of Alaska --

1 the glacial history.

2 The Bering Land Bridge is assumably the path by  
3 which the new world was inhabited. We know very  
4 little about -- relatively, about the geomorphic  
5 history of Alaska, particularly the time period,  
6 say, 20,000 to 70,000 years ago.

7 Now, this is obviously a time period in which the  
8 petroleum geologists are not interested. It is a  
9 time period in which the socio cultural people --  
10 people interested in impact on socio cultural affairs  
11 are not interested. But it is something that we  
12 are interested in.

13 As an archeologist we have enough work to do just  
14 trying to get the sites excavated, analyzed, without  
15 getting into a great deal of geomorphic technology.  
16 As a for instance, Alyeska drilled 80,000 or is  
17 drilling 80,000 holes some 20 to 50 feet deep for  
18 the elevated pipeline.

19 This data, or the data that would come from these  
20 holes is not available. There is no soil data,  
21 no pollen data, no pallootological pollen, small  
22 mammel data.

23 And I would say that roughly ten percent of these  
24 holes are bringing up fossils. None of this is  
25 available.

1 Now, USGS, Ann Crell, of the Coal Regions Research  
2 Lab, attempted to obtain these data. They were  
3 not able to. So as a backup we are attempting to  
4 salvage some of it.

5 Now, perhaps this question -- question or problem  
6 is directed toward Dr. Gryc, in the sense that what  
7 kinds of efforts information is going to come from  
8 NPR #4 relative to this kind of problem area?  
9 Are there any -- is there any provision for  
10 quaternary studies as opposed to petroleum  
11 geology or engineering geology.

12 This is something that has been seriously lacking  
13 in all previous studies in the north, except for  
14 individual research programs. However, the data  
15 is there, it could be accumulated, collected and  
16 disseminated in conjunction with a great number of  
17 the other impact studies.

18 MR. ROBERTSON:

19 I'm afraid our panel doesn't have answers for you.

20 MR. COOK:

21 I realize there are no answers, but I would like to  
22 see the panel and the report that you are preparing,  
23 at least address this question to a certain extent  
24 and make a provision for these kinds of data to  
25 come out of such studies.

1 MR. COOK:

2 Well, as you well know, the data that they are collecting  
3 has relatively very little bearing on climate -- on  
4 climatological problems, and the samples -- the few  
5 samples that we have been able to collect are not going  
6 to solve these kinds of problems, but the opportunity  
7 is there. And for 10,000 miles of seismic line or  
8 whatever the NPR #4, the opportunities are really  
9 staggering, if even a proportion of that were to be  
10 gathered.

11 MR. ROBERTSON:

12 Are there questions from the panel?

13 MR. WOOD:

14 I might help to assuage some of your concern, Doctor.  
15 We have taken samples from each of the core holes, and  
16 at present they have not been given to the public for  
17 various reasons, but each of the seismic shot holes  
18 that have been drilled, we maintain a sample on it,  
19 and there are also driller's logs, that could be gone  
20 back and checked, and we maintain records where each  
21 of the samples were taken from, and we do have them,  
22 they haven't been simply disposed of.

23 MR. COOK:

24 I'm very happy to hear that, because this is much more  
25 than Alyeska has done.

1 MR. ROBERTSON:

2 Dr. Davies? Any other questions from the panel.

3 Thank you.

4 Dr. Deacon?

5 State your name?

6 MR. DEACON:

7 My name is Albert Deacon. I'm professor of  
8 anthropology in the State University of New York,  
9 on leave to the University of Alaska for this  
10 academic year.

11 I speak briefly about protection measures for  
12 cultural resources, because Alaska's cultural means  
13 are largely an untapped resource for our under-  
14 standing of human cultural development, as well as  
15 Alaska's own history.

16 Many archeologists such as myself have, for a number  
17 of years, come to Alaska for the opportunity to  
18 conduct research on this data.

19 NPR #4 has considerable cultural resources of  
20 sufficient significance to warrant their entry in  
21 the National Register of Historic Places.

22 The information to substantiate this particular  
23 statement comes from relatively few and scattered  
24 researches by anthropologists over the last, perhaps,  
25 four or five decades, and they represent an extremely

1 limited amount of information in terms of the area  
2 covered, and yet the significance of the finds which  
3 have been made are quite outstanding, especially  
4 with this limited amount of research.

5 There are a number of existing laws and policies  
6 which require the inventorying and protection of  
7 such resources on government lands, and in conjunction  
8 with any federally funded project.

9 Among these are the National Environmental Policy  
10 Act, Executive Board Room 11593, relating to the  
11 protection and enhancement of the cultural environment,  
12 Public Law 93291, which is the Archeological  
13 Conservation Act of 1974.

14 I think it is vital that the stewards of NPR #4,  
15 whomever they may be, whether it be BLM or some other  
16 federal agency, exercise their responsibility in these  
17 matters, and I hope that you aren't affronted by my  
18 questioning whether that stewardship may not be  
19 exercised responsibly.

20 I recommend strongly that these cultural resources  
21 be considered in the stages of planning, and that a  
22 detailed set of procedures for protecting these  
23 resources during the development of NPR #4, be  
24 promulgated as part of your report.

25 It also appears necessary that our cultural resources

1 field manager be an essential part of any management  
2 team formed to assess environmental impact, or to  
3 provide field management of NPR #4.

4 Now, I would like to address that particularly to  
5 representatives from BLM.

6 The track record, I think, in this particular area  
7 and NPR #4 has not, over the last several years,  
8 been particularly exempt. Executive Board Room  
9 11593, for example, required that an inventory of  
10 archeological sites and the significant cultural  
11 resources be made by 1973, and so far as I know, there  
12 are a large number of federal agencies who have been  
13 largely remiss in fulfilling their responsibilities  
14 under that one particular executive board, as well  
15 as under, perhaps, some of the others.

16 Thank you.

17 MR. ROBERTSON:

18 Any questions from the panel.

19 Thank you, Mr. Deacon.

20 MR. DEACON:

21 Thank you.

22 MR. ROBERTSON:

23 Mr. Jean, do we have others signed up to speak?

24 MR. JEAN:

25 I have no knowledge that any more have signed up to



1 speak at this time.

2 MR. ROBERTSON:

3 All right. Would any of you like to come forward  
4 and give us the benefit of your advice and concern.

5 MR. REES:

6 My name is Chuck Rees -- R-e-e-s. I am president  
7 of North Star, Incorporated here in Fairbanks.  
8 It is 133 acre industrial park. I am a newcomer to  
9 Alaska. I have only been here 27 years. I have  
10 to go three more years to become -- before I become  
11 a Pioneer.  
12 I think that is important to state, because I came up  
13 here because I thought this was a great place to live,  
14 because there were a lot of wide open spaces, because  
15 I was a conservationist, and because I liked the  
16 environment. So I got three more years to prove  
17 myself before the other people who are pioneers of  
18 Alaska will accept me in their exclusive club. It  
19 takes thirty years requirements to prove that you like  
20 the country.  
21 Now, our industrial park is probably the most  
22 environmentally safe industrial park that has ever  
23 been put in. We even tried to go even further and  
24 put all electric heat in, so that we wouldn't have to  
25 worry about any of these fears that people have that

1 If there are any archeological sites, they are going  
2 to be along the coast. So I think somebody better  
3 start defining, instead of in shotgun broad terms  
4 saying what has to be protected -- in a broad term you  
5 are talking about a mess of an amount of land out  
6 there. Let's be specific.  
7 Are we talking about just the strip along the coast,  
8 or does somebody got some definite proof that somewhere  
9 back in the ice age there were cities of Eskimos or  
10 towns or villages located on the mass of that tundra  
11 plain, which is where they are going to explore.  
12 Now, if my memory serves me, when I worked on the  
13 PET #4 project, and there is an engineer here that  
14 was on that project, who can probably state it -- it  
15 seems to me the big oil fields were down in the Umiat  
16 area and over on Umalak (phonetic) and along the  
17 Kogil (phonetic) River and Fish Creek.  
18 Now, I am doing that from a long time ago working for  
19 United Geophysical.  
20 I also worked on the digging of the gas well -- drilling  
21 it or whatever you call it at Point Barrow, the one that  
22 is now serving the village.  
23 We didn't carry the tundra. They brought up a big  
24 monstrous sled that had a drilling rig on it, and the  
25 only thing that was on the tundra was the two runners

1 of the sleds, and the mud tanks and the living  
2 quarters and everything else were all on sleds, and  
3 everything connected up, and as soon as the gas well  
4 came in there was a little shack left there and the  
5 rest of the stuff disappeared, and all you had was  
6 a gas line running into the Barrow village.

7 And as far as I know, it would be interesting if  
8 someone went up there, and the place had disappeared,  
9 but, in reality, it didn't.

10 With the techniques of drilling today, if the oil  
11 field is discovered here, and this happens to be an  
12 archeological site, it is not impossible to tell the  
13 oil company to move their pad over here and drill in  
14 sideways.

15 And, in essence, what I am trying to tell you is,  
16 if you lay the rules down in the beginning, and if  
17 you have the specifics, from the people who are against  
18 projects, they can give you specifics. Make them  
19 say, in total -- not in total, I'm against this thing,  
20 but I don't think this is right, because this area  
21 contains this, and this area contains that, and this  
22 is the proven fact of it. Then you could build the  
23 specifications that your road is going to have  
24 to make a corkscrew around this, you are going to have  
25 to stop construction work when the falcons are nesting

1 and they -- wherever it was up there they had to  
2 stop work, they can't span a river like they have  
3 done now, because the spawning is going to take  
4 place, you don't want to get the gravel stirred up.  
5 It is possible to build, as long as you know in  
6 advance what you want done.  
7 Now, as far as anything happening north of here,  
8 of massive population areas, I can't see that.  
9 I think if anybody really got down to the cold hard  
10 facts, Fairbanks, Alaska is about as far north as  
11 a decent metropolis can get. Because it doesn't  
12 take you over five minutes if you have the time to  
13 drive out the Steetz Highway, which is the entrance  
14 to the north land, and you are in hills five minutes  
15 out, and you will never get out of them. So your  
16 next point that you really have a decent chance of  
17 drilling anything is up at the Yukon River at Circle,  
18 and I think if you just take some climatatic reports  
19 or get your temperatures year around, you are going  
20 to find out that's crazy.  
21 So your jumping off point is here, and what we are  
22 really talking about -- we are really talking about  
23 one road, sixty foot wide, heading north to mineral  
24 developments which will be continued in small areas,  
25 to exploration developments and to prospectors going

1 out and looking for different finds, and you are not  
2 talking about a lot of area compared to that total  
3 mass that is north of here.

4 So, you know, let's use just a little common sense,  
5 let's not shove it, no, on everything. No, because  
6 this is up there; no, because I think it is up there;  
7 no, because you might destroy it.

8 Give the specifics of the area. Tell us -- I'm a  
9 builder, I'm successful at it, I know what I'm talking  
10 about. Tell us what you want, how you want it  
11 built, when you want it built, and to what specs,  
12 and we'll do it, we'll do it economically, and we'll  
13 make a profit, and we'll govern, and we'll cover  
14 and we will safeguard everything you want safeguarded.  
15 Thank you.

16 MR. ROBERTSON:

17 Very good statement, sir.

18 Any questions from the panel?

19 No questions. Thank you.

20 Who else would like to tell us about your concerns  
21 and give us your advise?

22 DR. WOODS:

23 Mr. Chairman, there are people here that have full  
24 experience with PET #4 that are yet living, and one  
25 of them is Jim Dalton, and the other one is Max

1           Brewer, and I may have overlooked two or three people  
2           that had worked on the line just as Chuck Rees.  
3           And I would like to prevail upon those people who  
4           know the country, to talk, because they are very  
5           highly qualified engineers and geologists.

6   MR. ROBERTSON:

7           All right, who wants to be first?

8   DR. WOODS:

9           Jim Dalton.

10   MR. DALTON:

11           My name is James Dalton, I reside in Fairbanks, and  
12           I .....

13   MR. ROBERTSON:

14           Would you like to sit down there in the chair, please.

15   MR. DALTON:

16           I am in favor of submitting a document in writing,  
17           a briefing of my experience of the work they are  
18           doing, and I would be happy to do that.

19   MR. ROBERTSON:

20           Let me ask, when could we receive such a paper?

21   MR. DALTON:

22           When do you want it?   Two weeks?

23   MR. ROBERTSON:

24           We would like it as soon as you could possibly get it  
25           for us because we are behind on our timed date.

1                   If you could get it .....

2       MR. DALTON:

3                   I could have it for you in a couple weeks.

4       MR. ROBERTSON:

5                   All right.

6       DR. WOODS:

7                   Mr. Chairman, let me interrupt just a moment.

8       MR. ROBERTSON:

9                   Yes, Dr. Woods.

10      DR. WOODS:

11                   Out of thirty years experience up there, he's an  
12                   engineer. He's got a depth of knowledge that you  
13                   will find it difficult fathom. If you asked specific  
14                   questions of this man, he will give you information  
15                   that is priceless.

16      MR. ROBERTSON:

17                   I wonder -- Dr. Davies, do you have a question?

18      MR. DAVIES:

19                   Just that Mr. Dalton has stated he would submit  
20                   a document in writing, I think that is his preference,  
21                   and I will accept that.

22      MR. ROBERTSON:

23                   Would you send the paper to Mr. Fred Chei of the  
24                   Anchorage Sub-Regional Office, Room G-11, Anchorage,  
25                   just as soon as you could get it, and we would be

1                   very interested in receiving it.

2       MR. DALTON:

3                   Thank you.

4       MR. ROBERTSON:

5                   Any questions from the panel?

6                   Thank you, sir.

7       MR. FINNEGAN:

8                   Mr. Chairman, are we still on the haul road?

9       MR. ROBERTSON:

10                   We are taking testimony on any subject pertaining to  
11                   PET #4.    If you would like to talk to us about that,  
12                   we would like to hear from you.

13       MR. FINNEGAN:

14                   Well, I would just like to submit a resolution.

15                   First of all, my name is Finnegan.   I am with the  
16                   Tenana Chief's Conference.

17                   At the recent convention it was held the resolution  
18                   was passed that we resolved at the Tanana Chief's  
19                   Conference (indiscernible) the 19th day of March,  
20                   1976.

21                   It says, "Hereby oppose the opening of the North  
22                   Slope haul road to the public subsequent to construction  
23                   of the TransAlaska Pipeline."   (reading from document).  
24                   I would submit the body of it as an evidentiary matter.

25



1 MR. ROBERTSON:

2 Would you give it to Mr. Don Jean.

3 MR. FINNEGAN:

4 That is the extent of our testimony.

5 MR. ROBERTSON:

6 Let's see if there are any questions from the panel.

7 Any questions from the panel on this subject?

8 MR. DAVIES:

9 I didn't get your name.

10 MR. FINNEGAN:

11 My last name is Finnegan, and my first name is  
12 Patrick. And for your information, the Tanana  
13 Chief's Conference is a 43 member group, traditionally  
14 organized, and it covers a region from Eagle on the  
15 Yukon River to Holy Cross in the lower Delta area.  
16 The northernmost villages, Arctic Village, the  
17 southernmost is down around Healy, and the area is  
18 approximately that of the Doyon (phonetic) Regional  
19 Corporation.

20 The pipeline and haul road effectively bisect the  
21 area north of the Yukon.

22 MR. ROBERTSON:

23 Mr. Wood.

24 MR. WOOD:

25 Mr. Finnegan, could you please elaborate a little bit

1           just why the chiefs oppose the haul road?

2       MR. FINNEGAN:

3           I think probably it would be simpler, if you don't mind,  
4           if I started right from the top on this, because it  
5           was done in convention form.

6           The Tanana Chief's Conference, Inc. is an Indian tribe  
7           as defined in the Indian Self Determination Act and  
8           the Alaska Native Claims Settlement Act, and is  
9           recognized by the Secretary of Interior, and, whereas,  
10          due to the TransAlaska Pipeline system, a haul road  
11          has been constructed for delivery of equipment,  
12          materials and people through areas utilized by the  
13          members of the Tanana Chief's Conference for  
14          subsistence hunting, fishing and trapping, and  
15          whereas the people of the Tanana Chief's Region are  
16          concerned about the impact of the opening of the  
17          haul road, and the quality of life traditionally  
18          enjoyed by the people of the Tanana Chief's Conference,  
19          and whereas, the permanant maintence of the North  
20          Slope haul road would present a costly burden upon  
21          the citizens of Alaska, whose taxes are extended at  
22          a rate of state income at present, and whereas the  
23          migratory patterns of fish, fowl, indigenous game and  
24          species native to the region penetrated by the haul  
25          road, has already been altered, and it will be further

1 changed by the increased hunting pressure attended to  
2 the public opening of the road.

3 Now, therefore, let it be resolved that the Tanana  
4 Chief's Conference, Assemble and Convention, does  
5 hereby oppose the opening the the North Slope haul  
6 road to the public subsequent to construction of the  
7 TransAlaska Pipeline.

8 MR. ROBERTSON:

9 Thank you, sir.

10 MR. LEDOSQUE:

11 Could you tell us how many villages there are in the  
12 Tanana Chief's Conference?

13 MR. FINNEGAN:

14 Forty-three.

15 MR. LEDOSQUE:

16 Forty-three villages.

17 And could you, also, for the record, tell us the  
18 proximity of these villages to the haul road? That  
19 is, the distance these villages are located to the  
20 haul road, and how many are effected?

21 MR. FINNEGAN:

22 Off the top of my head I can't give you that  
23 information. I could give it to you in the written  
24 form within the period of time that you are talking  
25 about, but it is a relatively simple matter to sit

1 down with a map and .....

2 MR. LEDOSQUE:

3 Could I ask you, are there quite a few villages, or

4 are there very few villages?

5 MR. FINNEGAN:

6 Of the forty-three I would -- just off the top -- Mr.

7 Morgan is more familiar with the terrain than I am,

8 but I would say that there are relatively few within,

9 say, fifty miles of the line itself.

10 UNKNOWN PERSON:

11 Two at the most.

12 MR. FINNEGAN:

13 Two at the most, but I'm not sure. Those I'm

14 familiar with.

15 MR. LEDOSQUE:

16 Could you furnish the distance and number of villages

17 and then proximity .....

18 MR. FINNEGAN:

19 Right, the ones that would be effected.

20 Also, what time element are we talking about?

21 MR. ROBERTSON:

22 We would like to get the information as soon as we

23 could get it.

24 MR. FINNEGAN:

25 Is tomorrow all right.

1 MR. ROBERTSON:

2 Tomorrow would be delightful, if you could .....

3 MR. FINNEGAN:

4 Well, are you going to be in Fairbanks?

5 MR. ROBERTSON:

6 No. Send it down to the Anchorage office.

7 Any questions from the panel?

8 Thank you.

9 Mr. Brewer, are you going to give us the benefit of  
10 your .....

11 MR. BREWER:

12 Mr. Chairman, I am Max Brewer, former resident of  
13 Barrow for six years in the study of permafrost,  
14 director of the Naval Arctic Laboratory from the  
15 period 1956 to 1971.

16 I have been very much interested in listening to  
17 the testimony the last couple of days. I would hate  
18 to think that the panel would get the impression  
19 that PET #4 is an area that is totally unknown,  
20 or that scientifically it still possesses its  
21 virginity.

22 The first known scientific project on the Naval  
23 Petroleum Reserve occurred at Barrow with the first  
24 International Geophysical year, in 1881 to 1883.  
25 Prior to the formation of the cities of Fairbanks or

1 Anchorage. Their research continues after the turn  
2 of the century, and many groups went up there.  
3 Surprisingly, a number of them were led by Naval  
4 officers. Some of them going on foot because  
5 they couldn't get there by ship. But many of them  
6 ventured into the area and many of them brought  
7 back a great deal of information.  
8 For instance, the first archeological monogram from  
9 the Barrow and north coastal area was by Murdock,  
10 who was a sergeant under Lieutenant Bragg, Naval  
11 officer, for the International Geophysical year  
12 1881/83.  
13 There has been no competitor of the monogram.  
14 Ford, one of the more famous of the archeologists,  
15 worked the Berikek (phonetic) area near Barrow from  
16 1836.  
17 Carter from the Peabody Museum worked several years  
18 in the area 1952/1953.  
19 And I, personally, while director, sent people to  
20 what is known up there as the Will Rogers/Wiley Post  
21 Monument area, the old site of (indiscernible), where  
22 they discovered the oldest dated archeological find  
23 on the North Slope, perhaps 5500/6000 years.  
24 Dr. Selechi (phonetic), more recently a near eastern  
25 thing in the field of archeology, worked up there

1 1954 and came back in about 1960, and found some chars  
2 that he though were approximately 7000 years old.  
3 I think that we should also take a look at the question  
4 of the Bering Sea Land Bridge, and it seems as though  
5 the geologists and the archeologists are in cahoots,  
6 because every time they want to get a new infusion  
7 of people from the old country across the water, they  
8 the run the Bering land bridge up and down like a  
9 yo-yo.  
10 I would like to comment that there is no reason that  
11 people couldn't have gone across the Bering Sea  
12 last winter or fifty years ago, or seventy years  
13 ago. Back in fact, one of my former employees was  
14 born in Siberia.  
15 But you don't have to have land when you have solid  
16 water to walk on, and ice is something that one  
17 could walk on.  
18 I personally would like to see the archeologists and  
19 geologists get out of bed and check out the problem.  
20 Now, in many other fields of science on the North  
21 Slope there has been quite a bit of work done.  
22 The Naval Arctic Research Laboratory, in 1947, over  
23 69 million dollars has been spent in the pursuit of  
24 basic (indiscernible) in the North Slope of Alaska  
25 and in the Arctic Basin.

1 This includes a lot of work in geomorphic, permafrost,  
2 the caribou, the wolves.

3 For instance, the fact that the shunt in the wolves'  
4 foot, it tends to keep his paw from freezing, even  
5 when you immerse it in a mixture of dry ice and  
6 alcohol at a temperature of 60 below.

7 Those things were accomplished in the Naval Arctic  
8 Research Laboratory.

9 The fact that wolverine, for instance, keeps his paw  
10 from getting cold, not only because he has a fat paw,  
11 and a lot of assistance from that standpoint, but he,  
12 also, unlike man, whose fingers and toes get cold,  
13 has blood shunted to the extremities.

14 He also, from his wrist, grows a pad of fur, so that  
15 he walks around on his own fur sock all winter.

16 A lot of this work has been done, and I don't think  
17 that we could get the impression that we have got to  
18 go back in and reinvent the wheel.

19 We've got to take a look at some of the gaps in our  
20 information.

21 I think that we also need to take a look at what has  
22 been some of the pioneering efforts in the north.

23 Chuck Rees was talking about being up there . One  
24 of the members here of the panel was up there, in past  
25 years, quoted in the papers, having been at the time



1 of the origin of a certain fault in the state of  
2 Alaska. He was around on the North Slope. So I  
3 am fully aware of the panel's expertise, however I'm  
4 not sure the record would necessarily reflect this.  
5 The Navy, in the early days, particularly from 1944,  
6 of '46, excuse me, when it went under civilian  
7 contractor operation, until 1953, pioneered, and  
8 many operations of the north. They tried many  
9 vehicles to get across the country. They made an  
10 awful lot of mistakes.

11 In fact Barrow is a fine research area, because  
12 within a radius of five miles of the City of Barrow  
13 you can find an example of every possible mistake,  
14 or mistake that is possible to make in the Arctic,  
15 therefore, it should be (indiscernible).

16 If we continue to make those mistakes, however, it  
17 is our own fault.

18 At Prudhoe Bay industry started up. Their first well  
19 was an unholley mess. They don't even show it.  
20 However, they learned. Their first road was not a  
21 good road.

22 They came over to Barrow to try to get information  
23 as to how they could do the job right.

24 The research in a new field has been developed over  
25 many years. This is not to say that an unregulated

1 operation will not slip into some of the old ways,  
2 because you have a rotation of people, and I think  
3 that the government has the responsibility to make  
4 sure that things are accomplished in the proper  
5 manner, but I don't think that we should ignor what  
6 history is available, and what can be used.

7 I would like to mention that the Naval Arctic Research  
8 bibliography, published in 1973, prepared in 1972,  
9 listed over 2400 scientific works that had been  
10 published for the North Slope of Alaska.

11 There have been many published since then. There is  
12 much information available in the files that can be  
13 used, but as a starter, I would suggest Arctic  
14 Institute publication, Naval Arctic Research  
15 Laboratory bibliography, and I believe it is bulletin  
16 #24.

17 As far as the socio economics, I think that we might  
18 take a look there and realize that under the old  
19 setup you could have very few villages in the Arctic  
20 with a population of only about 300, because that  
21 was about as far as the people could satisfactorily  
22 arrange to hunt in a bad year and provide the sport  
23 for people

24 I think we are looking at Barrow with a population  
25 of 2600, with a subsistence take of land that is

1           probably less than it was twenty years ago, or twenty-  
2           five, when it had a population of 800.

3           We have a dollar economy in many of the communities.  
4           In others we have a modified subsistence, and I think  
5           it can be considered a way of life, and the people's  
6           modifications of their cultural pattern.

7           I think that we make mistakes when we theorize and  
8           don't look at reality.

9           And when that bind that people can turn down jobs in  
10          the city of Barrow.    One Native working for a Native  
11          group, where the salary is \$14.95 per hour, I have to  
12          conclude that that is modified subsistence.

13          Perhaps hunting is more important to them than the  
14          people in Fairbanks.    But here in Fairbanks if you  
15          don't get your moose, there is something else you have  
16          to give up during that winter.

17          If you go further south, and perhaps you don't have  
18          a moose, you might settle for a deer, or if you  
19          fish, but still, we are all on this type of economy.  
20          The smaller villages, it's greater, but I think we  
21          could look at the overall subsistence.

22          I am very happy to have been nominated to provide some  
23          comments.    I think that the nominator was perhaps  
24          the man who should have been up here talking, but  
25          I have been very happy to have the opportunity, and I

1           will try to answer any questions.

2       MR. ROBERTSON:

3           Thank you, Mr. Brewer.

4           Any questions?   Dr. Davies?

5       MR. DAVIES:

6           Whatever chars we have here to determine what the  
7           interests of the people are, how would you go about  
8           those (indiscernible)?   But I think you are correct  
9           in saying this was not brought out in the open  
10          yesterday.

11       MR. ROBERTSON:

12          Any other questions?

13       MR. LEDOSQUE:

14          I would like to ask one question.

15          There has been some discussion about a road from  
16          Barrow to the existing haul road at Prudhoe Bay.

17          Do you have an impression as to the feasibility of  
18          that, or its impact?

19       MR. BREWER:

20          Many things are feasible if you throw enough money  
21          at them.   As to whether one should build such a road,  
22          I think it requires some analysis of what do we want  
23          to do with it, and what would people most intimately  
24          connected want to do with it.   What would be some  
25          of the trade offs.

1 And I think that the idea of building a road from  
2 Prudhoe to PET #4, from the standpoint of exploration,  
3 is very questionable.

4 I think that once and should exploration come up and  
5 provide a resource of very considerable magnitude,  
6 then I think that a road would have to be considered.  
7 However, by that time one would know where the  
8 resource was, from whence, perhaps a road should be  
9 constructed, what associated facilities one might  
10 want with that road.

11 Now, this looks at it strictly from the standpoint  
12 of the exploration of PET #4. It is not considered  
13 the social desirability of whether people would want  
14 a road from PET #4 to, say, Barrow.

15 I think that this is -- the social desirability of  
16 that road should be addressed to the people.

17 I would be happy to comment as 127/100ths of the  
18 people in that regard, but that is from a social  
19 standpoint.

20 I think that from the exploration, which means that  
21 you are trying to develop an inventory of resources,  
22 means your land in selected areas, you are there for  
23 a short time until you obtained the inventory of the  
24 area, and I don't think that in that particular  
25 environment it is very difficult to build a road,

1 and that such a road could be justified.

2 Also, as one builds a road from east to west, on  
3 PET #4, one has to consider that there are difficulties  
4 with crossing numerous streams, that there is a  
5 possible road building material in the form of gravel  
6 and that you got to have a jolly good reason for  
7 building it.

8 For instance, if a resource happened to be discovered  
9 in the southern sector of PET #4, or in the western  
10 sector of PET #4, one might not want to build a road  
11 from Prudhoe to PET #4, one might want to take off  
12 at Bettles, go through Anaktuvik Pass and then follow  
13 the foothills area, or, perhaps, even the Coghill  
14 Valley, if that were a possibility, and it might  
15 provide a route far less costly, far less damaging  
16 to the environment.

17 I think that extensions of roads requires that we have  
18 to know what is on the other end of the road that we  
19 want to move, and where the other end of the road is,  
20 and an analysis of the engineering, the economic  
21 feasibility and the social desirability of the  
22 road.

23 I personally think that a discussion of the haul road  
24 that runs north/south to Prudhoe Bay and PET #4 is  
25 inappropriate until such time as there has been an

1 inventory completed, a major resource discovery on  
2 PET #4.

3 MR. ROBERTSON:

4 Mr. Davies?

5 MR. DAVIES:

6 Are there areas in PET #4 that you think  
7 (indiscernible)?

8 MR. BREWER:

9 There are areas in PET #4 that have resources of an  
10 important nature, and that need to be considered.  
11 There is, for example, the question of the Western  
12 Arctic caribou heard which comes in to a portion of  
13 PET #4, as its major calving area within PET #4  
14 from middle May until -- through, perhaps, the first  
15 week in June.

16 Certainly, one does not want to get out there when  
17 the caribou are grouping for a major portion of the  
18 calving, and engage in a significant noisy or  
19 extensive operation.

20 However, for about eleven months of the year caribou  
21 aren't calving, and if one takes care to consider  
22 what the needs are, and if one does not tear up a  
23 significant, or otherwise alter a significant portion  
24 of the caribou habitat, then occasional things, other  
25 than the caribou, can exist in a compatible manner.

1 For instance, there is in the legislature a bill that  
2 would have the caribou habitat. It's on PET #4.  
3 Quite candidly it misses some of the good calving  
4 grounds in other areas, that caribou are smarter  
5 than man, they want to calf there, but does not  
6 consider areas outside of PET #4, and I think the  
7 same could be said about the paragon falcon.  
8 One does not want to disturb paragon falcon. One  
9 does not want to disturb the habitat that could effect  
10 paragon falcon.  
11 But certainly an airplane flying over a falcon nest  
12 when the falcons have all gone south is not really  
13 going to disturb the falcons.  
14 I think we could say the same thing about certain  
15 nesting and moulting birds. And it requires a  
16 certain amount of knowledge, an understanding of the  
17 habitat, and a working together by resource managers.  
18 I don't think that Alaska, whether it be PET #4 or  
19 anyplace else, can afford to say, "Well, something  
20 might occur here, so everybody stay out 365 days  
21 a year." Particularly that that occurrence that  
22 might happen would be restricted to a couple or  
23 three weeks.

24 MR. ROBERTSON:

25 Any other questions from the panel?



1 MR. GRYC:

2 I might comment on your bibliography. There are  
3 over a thousand papers written by you on the North  
4 Slope of Alaska, and undoubtedly several hundred  
5 more by other geologists.

6 MR. ROBERTSON:

7 Any other questions?

8 Thank you, Mr. Brewer.

9 Do you have one more person to nominate, Dr. Woods?

10 DR. WOODS:

11 Those three that I -- I hope I haven't overlooked  
12 anybody. Jim Messer is back there. Jim has been  
13 around a long time.

14 MR. MESSER:

15 My name is Jim Messer. I would just like to make a  
16 couple of comments. I'm an automobile dealer. I  
17 lived here 28 years. I have a lot of claims to claim,  
18 I guess. I served on the Chamber of Commerce several  
19 terms, school board, past president of the Rotary,  
20 JayCee's. Most recently I'm on the Board of Directors  
21 for OMAR. That is, Organization of Manangment of  
22 Alaska Resources, made up of conservationists, labor.  
23 Right now the Alaska pipeline, which we hope will be  
24 brought through Fairbanks and down to the coast.  
25 At least it looks like it will come through Fairbanks.

1 I have been a hunter and a fisherman ever since I've  
2 lived here, and I can't remember when I haven't killed  
3 a moose, unless it was last year, and I did kill a  
4 wolf last year.

5 On the road, I would just like to say what Mike Walton  
6 said, I don't think there is a chance -- it seems  
7 ridiculous, it is kind of like closing off the west  
8 when it was first developed, and this may happen on  
9 the road.

10 Caribou -- a real good friend of mine has been on the  
11 Fish and Game board for many years. A few years  
12 ago, and this was fifteen years ago, he was talking  
13 about the caribou herds being so large, they were  
14 going to lose part of them, they were going to  
15 split and go over into Canada, so they wanted to  
16 harvest as much as they could, and for many years,  
17 in fact, I don't know for how many years, there has  
18 been so season and no limit on caribou north of the  
19 range.

20 Anyone, Native or white, could go up and shoot a  
21 hundred, the only restriction, you should take care  
22 of, or are supposed to take care of what you have  
23 shot. And I believe it is just recently they have  
24 a place -- "recently" -- I'm talking about this year.  
25 Prior to this time , and you may hear a lot about the

1           dwindling caribou herd, and certainly, with the care  
2           that has been taken up there, by no season, no limit,  
3           it should have been, but I would certainly think  
4           conservation measures, like limiting it to maybe  
5           four or five per person, or something, it might come  
6           back into something.

7           That's all I have to say.

8           MR. ROBERTSON:

9           Any questions from the panel?

10          DR. WOODS:

11          Mr. Chairman, there is one other person I have in  
12          mind here. He is what is known as a native born  
13          Alaskan, because he was born in Juneau, which is kind  
14          of a blot on discussions for him. Earl Beistline,  
15          the dean of the School of whatever they call it now,  
16          at the University of Alaska, the Northern Region.  
17          He also knows, virtually, everybody and anything that  
18          has happened in Alaska.

19          MR. ROBERTSON:

20          I hear a call for Dr. Beistline.

21          MR. BEISTLINE:

22          Mr. Chairman, I am Earl Beistline of Fairbanks,  
23          Alaska.

24          I think, perhaps, I fully agree with the statement  
25          that Max Brewer has made, but the person that is

1 doing the volunteering of speakers should be the one  
2 that should be sitting in this chair.

3 I have several points, perhaps, that I would like to  
4 make.

5 First of all, for the good of the state and the good  
6 of the nation, I feel that in your report, considerations  
7 should be given to allow assessability to the land.

8 To the land for development -- researching, development,  
9 this type of thing, of the various resources, including  
10 the mineral resources, and in this I would include  
11 the metallic energy fuel and nonmetallic.

12 Also, as a second point, there should be assessability  
13 to the area. The area to get in, then, to assessability  
14 to the land.

15 And third, private enterprise should certainly be  
16 considered in developing the resources that exist in  
17 the area.

18 Those are the three points that I would present at  
19 this time, very briefly. I would be happy to answer  
20 any questions.

21 MR. ROBERTSON:

22 Any questions of Dr. Beistline?

23 MR. DAVIES:

24 Yes. One of the things we have, as you just brought  
25 up, and that is to consider the role of private

1 capital and private leasing .....

2 MR. BEISTLINE:

3 I think, first of all, what is essential is the  
4 existence of the operation of a mining law in the  
5 area. Now, the mining laws, of course, pertain  
6 to the metalics, by and large, this type of material.  
7 This allows the individual, the company, to get  
8 in and to search for those types of deposits in the  
9 area.

10 Geologically, there is some indication that there  
11 could be metallic deposits in the area now within  
12 PET #4, including possibly uranium. We are just  
13 speaking geologically, now, rather than saying there  
14 is a deposit here.

15 You have to have people getting in, you have to have  
16 people searching and looking, and if we could do this,  
17 then more resources will come to life.

18 Then, also, the preference of the mineral leasing  
19 laws. Those laws applying to coal, oil, gas, this  
20 type of thing, should certainly be allowed to exist.  
21 Now, these laws exist, then private enterprise could  
22 operate under those regulations.

23 Does that verify it a little?

24 MR. DAVIES:

25 Yes.

1 MR. ROBERTSON:

2 Any further questions.

3 MR. DAVIES:

4 Would you care to comment as far as the production  
5 of the oil and gaslines itself, with respect to private  
6 versus government?

7 MR. BEISTLINE:

8 I am very much in favor of private enterprise taking  
9 over and/or into production.

10 I think that certainly government has its place. We  
11 have seen some excellent work, and there will be a  
12 great deal more by the United States Geological  
13 Survey, the United States Bureau of Mines in basic  
14 work. But, then, by our form of government, the  
15 way that the nation is being descript, I think the  
16 private enterprise is essential for this.  
17 Certainly you could say I am in favor of development,  
18 there is no question about that, I think it is  
19 absolutely essential for the state, but this could be  
20 done in ways that will consider pollution, we will  
21 consider land rehabilitation, the environment, those  
22 factors.

23 MR. DAVIES:

24 With respect to timing this development, there was  
25 some testimony yesterday that suggested that we

1 defer development until the existing pipeline is  
2 no longer being (indiscernible) and PET #4 could  
3 be used, more or less, to fill the void, as opposed  
4 to possibly building a new pipeline.

5 MR. BEISTLINE:

6 It's my thought that we should move ahead as  
7 rapidly as we can, we just do not want to run out  
8 of time.

9 I think every person in the room, probably is  
10 familiar with the oil situation that we have had  
11 in the past year or so, or that the nation has had  
12 a whole.

13 You just do not develop resources overnight and  
14 have them assessible, it takes a great deal of time  
15 to look and to search.

16 This certainly applies to the metallics as well as --  
17 well, we see the time involved in getting the  
18 pipeline as well as -- we see the involved as getting  
19 the pipeline in.

20 As a result of this we see financial condition of  
21 the state of Alaska at the present time. We take  
22 a look at the operating budget. Nearly 50% in  
23 deficit. Take a look at the bonus money, 900 million  
24 dollars, practically gone.

25 This shows some of the things that can happen.

1           So I believe that timely you have to move ahead  
2           and you never really have enough time to get these  
3           things done.

4       MR. ROBERTSON:

5           We'll pause just a moment while we change this tape.  
6           (Whereupon a short off the record period was then  
7           taken in the proceedings.

8       MR. DAVIES:

9           Mr. Beistline, we looked at this study in broader  
10          context, as I mentioned earlier, and not just as  
11          what the resource is on PET #4, but also what  
12          might be in adjacent to it, and this falls right  
13          with your comments of assessability and metallics.  
14          If, in fact, we are going to develop this soon, and  
15          therefore need another corridor to get the oil  
16          out, there is a possibility that perhaps we should  
17          look in the western instead of the eastern part,  
18          because you might make other resources assessable.  
19          Would you comment on that?

20      MR. BEISTLINE:

21          Yes.    In the west instead of the eastern part of  
22          the reserve.  
23          There is some indication of metallic deposits that  
24          have been found.  As I recall, it's gold, and there  
25          is certainly some tungsten, and geologically there



1 is an overall trend, it seems to me, that comes in  
2 - through the Canadian border and goes in to the area,  
3 what is actually known, I do not know.  
4 But the indication is that this could be somewhat  
5 favorable.  
6 It seems to me, in that same area, that you -- gener-  
7 ally in that area that you have some of the phosphate  
8 deposits.  
9 George might pinpoint that much closer than I.

10 MR. WOOD:

11 Dr. Beistline, I know that as your second point you  
12 made mention of accessibility to the area. I would  
13 appreciate it if you could add to your comments  
14 and maybe expound a little bit more on .....

15 MR. BEISTLINE:

16 Accessibility to the general area -- I mean that here  
17 you have to have the proper easements, the roadways  
18 and what not to get into the general area.  
19 I say this because it will tend to be more convenient,  
20 less costly for bringing people in, doing the job  
21 that needs to be done, and certainly we don't tie  
22 this to one type of transportation.  
23 You are speaking, perhaps, of air, you are speaking  
24 of highways, you are speaking of roads, a combination.  
25

1 MR. WOODS:

2 Would you favor having roads or some sort of a road  
3 in that reserve, then?

4 MR. BEISTLINE:

5 Yes, I would. And when I say this, there are  
6 certain restrictions that you may want to have.  
7 Particularly if there are highways there, it should  
8 be used by the people to further develop the  
9 resources.

10 MR. WOODS:

11 Thank you very much, sir.

12 MR. ROBERTSON:

13 Any further questions?

14 Thank you.

15 Do you have other nominations, Dr. Wood?

16 DR. WOODS:

17 Everyone back there.

18 MR. ROBERTSON:

19 Could we hear from you, Dr. Woods?

20 DR. WOODS:

21 Why don't we see if anyone back there wants to.

22 I will definitely get up then.

23 MR. ROBERTSON:

24 Who else would like to share their wisdom with us.

25 Please come forward.

1 MR. CRANDELL:

2 My name is Ace Crandell. I worked on the Slope  
3 four and a half years for various companies.

4 I studied geology in college.

5 But, at the same time, I'm an observer, and I think  
6 many people will be the same. The observer of  
7 wildlife.

8 Now, I never hunted in Alaska. I'm not a  
9 preservationist. I believe in utilization of all  
10 resources whether it is renewable or nonrenewable.  
11 It's the best for everybody.

12 My observation has been on the Slope, that the  
13 caribou herd, that they are decreased in numbers,  
14 are probably due to two items.

15 One, there is a restriction of hunting of wolf on  
16 the slope, and, two, the utilization of the snow  
17 mobiles in harvesting the animal in the wintertime.

18 Now, I have noted many times a hunter will take  
19 out and, you know, they go thrity-five, forty miles  
20 an hour on a Ski-Doo. Now, if he is using a dog  
21 sled, a dog -- the speed, it determines -- it's  
22 deterined by the power of the dog or the strength  
23 of the dog.

24 The Ski-Doo, or land dogs they call up there, its  
25 distance is determined by the fuel supply and the

1 speed is determined by the man's foot.

2 So there is -- if a man trots an animal, or a group  
3 of animals, he can run ten miles, twenty miles, to  
4 kill one, or kill a dozen.

5 Now, if he is running a dog team he may be able  
6 to slip around and get one, and the -- by doing  
7 that while the others escape, and they, in turn,  
8 will be hunted again by somebody else.

9 But along the Slope, the native, he usually waited  
10 until the caribou came to him. They came along  
11 the shore line, that's where the people live,  
12 and that's when he hunted.

13 He wouldn't go back in this cabin area like they  
14 are doing now. He would not go back into the  
15 foothills where he could hunt them in the wintertime.  
16 He may have utilized it some, but he depended  
17 mostly on the shoreline. His water orientated  
18 travel, the fish and the game of the ocean.

19 So what I'm trying to say is, here we have a  
20 condition that has already taken place.

21 Now, they are making an effort to rectify it, but  
22 regardless how you are going to develop the resources  
23 in the area, you will have to have restrictions on  
24 utilization of renewable resources, and this is  
25 all they are coming for, and eventually they will

1 have to go back to the bow and arrow.

2 But I believe in utilizing the animal, but I also  
3 believe that if you are going to utilize it, you  
4 got to protect him some against his natural resources.  
5 And the migration patters of the caribou, odd as it  
6 is, is dependent mostly upon the instincts --of  
7 course, calving instincts, but, then you only  
8 utilize -- that the area they calf is probably  
9 the during May, because the winds -- the air currents  
10 come up from the Bering Sea.

11 But also the little ole' mosquito. He controls the  
12 movement of that caribou. I've seen whole herds,  
13 thousands, rush into the Arctic Ocean to get away  
14 from the mosquito, because they go on the barrier  
15 reefs where there are no mosquitos.

16 The reason why the mosquito bothered them is the  
17 wind went down, and the mosquito came out of the  
18 brush.

19 The movement of the caribou in the summertime when  
20 the mosquito is out, is determined by the wind, too,  
21 definitely whether it is going or not.

22 If there is just a small wind, very little wind,  
23 well, he will try to go pretty rapid against the  
24 direction of the wind, toward the direction it is  
25 coming from, because that keeps the mosquito off

1 his face.

2 If there is a harder wind, why, you might just kind  
3 of zigzag all around the country. But as everybody  
4 knows, the winds blow north and east and west or  
5 west and east most of the time.

6 But I thought I would put this input in because,  
7 I know the natives in Alaska and some of the other  
8 people along the Arctic Slope, well, they are going  
9 to be worried about their hunting. Well, they have  
10 a right to.

11 But at the same time, I believe that everybody in  
12 Alaska should have access to all resources of  
13 Alaska, and thereby, if you open it up, I can't  
14 afford to ride an airplane to the slope, or to the  
15 Arctic village, or any place like that to go hunting  
16 or fishing or trapping, but if I had a vehicle, and  
17 I got some friends to go in with me where we could  
18 drive up there, we would have access to it.

19 I mean, I really believe in having the availability  
20 the access for everybody, equal option to utilize  
21 public lands for hunting and fishing, prospecting,  
22 oil exploration, and I don't want to -- as I say,  
23 I understand the Tanana Chief's problems, but at  
24 the same time, I think since they have their land  
25 now, I think they got to determine if they are going

1 to control the trapping or hunting on their land,  
2 but any land that is federal land/state land, of  
3 course, it is free to be open for everybody, for  
4 equal opportunity.

5 So I would say that the utilization of the North  
6 Slope for the production of oil, well, everybody  
7 says it's a national interest; I believe it.

8 Why should we pay \$12.00 a barrel of oil overseas  
9 when we could get it here. Even if our companies  
10 will make a profit.

11 That is a lot better than sending \$12.00 over there  
12 and let the foreigners make a profit on a barrel  
13 when our own companies -- our own individuals would  
14 in Alaska.

15 No doubt the leasing program will be set up, so  
16 it will be competitive, and I would like to see it  
17 in small enough areas, small enough sections so  
18 a group of individuals here, I don't care who, they  
19 go together and they could lease maybe a section at  
20 a time. They could afford to lease a section,  
21 and at the same time, it can't be too small that  
22 it wouldn't be worthwhile to even drill a well.  
23 But that's about the size of it.

24 Any questions?  
25

1 MR. ROBERTSON:

2 Questions from the panel?

3 Thank you for your statement.

4 UNKNOWN PERSON:

5 Could you please state the address again to which  
6 written testimony could be sent?

7 MR. ROBERTSON:

8 Yes. Send it to Mr. Fred Chei, FEA Regional  
9 Administrator for Alaska, Federal Energy  
10 Administration, Room G-11, Federal Office Building,  
11 605 West Fourth Avenue, Anchorage, Alaska.  
12 And we would like to get the statements as quickly  
13 as we can because of the time schedule laid down  
14 to us by Congress.

15 MR. REES:

16 Mr. Chairman, if it is permissible, I would like  
17 to answer -- or, at least amplify a little on a  
18 question that a gentleman here left, asked of  
19 Dr. Beistline.

20 MR. ROBERTSON:

21 Please come forward. We would like to hear from  
22 you.

23 MR. REES:

24 This gentleman here touched on it just briefly, and  
25 I think it is something that should be developed



1 a little further.

2 He asked, you know, how soon should we start  
3 developing the rest of the oil up there.

4 I think you have the answer right back in  
5 Washington.

6 What is the balance of payments like right now?  
7 How bad is it?

8 According to the latest issue in Newsweek, our  
9 consumption of oil is now increasing again, to  
10 where our dependency on the Middle East is  
11 increasing, which means we are going to give  
12 strength to the cartell, again, and I think that  
13 resources within the borders of the United States  
14 should be developed as much as possible.

15 Also, pardon me if I say it, I kind of feel like  
16 we are in an adversary position here. It's the  
17 people of Alaska versus the United States  
18 Government, and I don't think that's right, because  
19 I think you are here representing the benefits or  
20 the -- whatever is good for the United States  
21 of America, et al.

22 And it is not in the best interest of the U. S.  
23 et al to have negative balance of payments.

24 A prime example of delayed type of development is  
25 right on the TransAlaska Pipeline itself. You

1 started with a 900 million dollar project, it's  
2 now at 7 billion dollars plus. Who's going to pay  
3 it? The United States of America, et al, with  
4 the gas pumps, nobody else can.

5 And the bulk of the charges, I bet you will find  
6 are interest charges on all the equipment and all  
7 the stuff that was stockpiled starting in 1969 and  
8 just sat idle.

9 So it behooves us to develop within our own quarters  
10 as fast as we can every resource which will benefit  
11 the United States of America, which is one of the  
12 biggest manufacturing nations in the world, and  
13 needs a tremendous supply of natural resources to  
14 keep up our productivity, to keep up the level  
15 of employment and the standards of living that we  
16 must maintain, that we are used to maintaining,  
17 and used to having.

18 So in a simple answer, yes, development. And it is  
19 simple to have development if we know what the  
20 rules are.

21 So I hope that answers it.

22 You know, I read this statement that the environmen-  
23 talist people put out and they want to hold off  
24 that development until the oil fields are  
25 exhausted. Well, you're not helping the bulk of

1 the people of the U. S., because you are again  
2 going to place the U. S. at the mercy of the Arab  
3 sheiks, and when you do that we've got trouble  
4 right here in River City.

5 MR. ROBERTSON:

6 Thank you.

7 I think I should probably explain. The panel  
8 itself is really, we want to hear from you people,  
9 and that is why we are not expressing any opinions  
10 of our own, because we want to really hear your  
11 opinions and hear you express your concerns and  
12 share your wisdom with us.

13 It doesn't mean we don't have an opinion, we  
14 certainly do.

15 MRS. WALTON:

16 I would like to comment on the incongruity of the  
17 Tanana Chiefs' position on the road, and back it up  
18 with an example.

19 They have gone on record as their Tanana Chiefs'  
20 meeting recently to close the road north, but I  
21 would like you, if you have the time, or their  
22 representatives here, to present a statement on how  
23 do they reconcile their own oil development, which  
24 they are now doing in the Kanbik (phonetic) area,  
25 they are building wells right now, and they have

1 built a winter road in there, and they are doing  
2 seismic work in there, and because of these millions  
3 of acres that they now -- they don't have title to,  
4 but they will -- they don't even have to make  
5 an environmental impact statement.

6 So, to me, some of these things should be reconciled  
7 in your mind. I can't reconcile it in my mind.  
8 I'm certain that Dr. Beistline cannot reconcile it  
9 in his mind.

10 On the one hand they are against a road going in  
11 there, and at the very same time they have an  
12 outfit from Louisiana in there poking holes down  
13 right now, and they can't bring it in, which means  
14 they have to cut down trees, go across streams  
15 with no environmental impact concern whatever.  
16 To me it is incongruous, and I would like you to  
17 address some of the boards of directors -- members  
18 of the board of directors in that outfit.  
19 I think it might be an interesting aspect. It  
20 would sure be of interest to many of us.

21 MR. FINNIGAN:

22 First of all, the Tanana Chiefs Conference is a  
23 nonprofit organization and it does not involve  
24 the drilling anywhere.  
25

1 MRS. WALTON:

2 Doyan is their corporation.

3 MR. FINNEGAN:

4 Doyan is a profit making organization, and it is  
5 not represented here, and I think that anything  
6 you would want from Doyan you should contact the  
7 Doyan .....

8 MRS. WALTON:

9 I'm asking these gentlemen to ask them.

10 MR. FINNEGAN:

11 What I'm trying to do, Mrs. Walton, is explain the  
12 difference between the two organizations.

13 MRS. WALTON:

14 I know that.

15 MR. FINNEGAN:

16 You know, but these gentlemen don't. If the  
17 comment is asked from Doyan, rather than Tanana  
18 Chiefs, it could be answered more readily.  
19 Then it will be up to these gentlemen to decide if  
20 there is an emphasis.

21 MRS. WALTON:

22 Mr. Robertson, would you mind asking Doyan's  
23 board of directors, who is also elected by  
24 Tanana Chiefs, the question I .....

25

1 MR. FINNEGAN:

2 Well, that's what I'm saying. The organization that  
3 is doing the developing is not the Tanana Chiefs  
4 organization, which is a nonprofit organization.  
5 There are two distinct organizations.  
6 There is some interlocking -- the membership is  
7 identical, so the question should be directed to  
8 Doyan, and perhaps, then, you gentlemen yourselves  
9 could determine whether you feel it is inconsistent.

10 MRS. WALTON:

11 But you must agree that those men .....

12 MR. FINNEGAN:

13 I think that is their decision.

14 MR. ROBERTSON:

15 Dr. Davies, do you have a question.

16 MR. DAVIES:

17 Mr. Rees and Dr. Beistline, my question was not  
18 really an idle question. I would be concerned  
19 with development.

20 There are many objectives we could try to achieve  
21 on PET #4, and are familiar with, nothing by which  
22 we could measure about how we could go about  
23 doing that.

24 I appreciate your opinion that we should do it  
25 rapidly, because this is, more or less, in keeping

1 with the objective of the project of independence,  
2 or independence of the country, while there are  
3 other objectives we might try to achieve, such as  
4 maximizing the revenues the government would  
5 achieve -- ultimately receive from reserves, or  
6 possibly when I mentioned previously, in order to  
7 keep a steady flow of oil coming from its reserve,  
8 so as to maximize the utilization of the resource  
9 we already invested in the pipeline.

10 There are different objectives we could try to  
11 achieve in such a production from this reserve.  
12 This is the reason why I was asking the opinion.

13 MR. BEISTLINE:

14 Yes. Well, again, I just believe that if action is  
15 necessary on as many fronts as possible, as soon  
16 as possible, and this, in turn, will allow the  
17 production to be the supply in demand to come in  
18 balance.

19 If you can go ahead now -- if you could develop  
20 and find what you have, then, certainly you may  
21 not produce, at the moment, if you have ample oil  
22 flowing to meet the needs.

23 But the oil is there, it is ready to go and  
24 production might well be needed. But if you wait  
25 until one field is practically gone, and then attempt

1 to develop and find, you are just way behind the  
2 eight ball.  
3 I think that over the years experience has shown  
4 us that we just have to keep moving as rapidly as  
5 possible just to keep up and not fall back, and  
6 as soon as we take a stand of no development status  
7 quo, then we are falling back.  
8 This is my feeling.

9 MR. ROBERTSON:

10 Thank you.

11 Dr. Gryc?

12 MR. GRYC:

13 Mr. Chairman, I think it might good to allay Mr.  
14 Rees' fear that this is an adversary procedure,  
15 and .....

16 MR. REES:

17 No, I didn't say that, I said I feel that .....

18 MR. GRYC:

19 Oh, I see.

20 Well, I would like to point out that HR-49, that is  
21 PET #4 bill, reserves to the Congress the right to  
22 decide what is going to be done with PET #4, and the  
23 report that will result from the FEA studies and  
24 from a subsequent study that is required by the bill  
25 will simply point out the alternatives, possible



1 impacts one way or the other and the Congress will  
2 then .....

3 MR. REES:

4 Well, one statement from Mr. Davies -- I knew he  
5 was referring to -- I didn't think that was your  
6 question. You asked Dr. Beistline to respond to that.  
7 I just thought it needed a little more amplification  
8 for the record when they get to statement three.

9 MR. ROBERTSON:

10 Well, I believe we should hear from Dr. Woods.

11 DR. WOODS:

12 Mr. Chairman, it is time for all of us to go home.  
13 You have been very kind to come and have this talk  
14 with us.

15 I find, always at a session of this sort, when  
16 people are allowed to speak freely, that I learned  
17 something. I learned a great deal this afternoon.  
18 I am left with some doubts in my mind about what  
19 this sound point of view -- basically, I am a  
20 humanist, and I think some of the fundamental  
21 issues that this group has to address are philosophic  
22 issues, and the various aspects of that came out  
23 in the discussion this afternoon.

24 There are those who feel as I think I do, that we  
25 must, as human beings, extend ourselves to make

1 the wisest and the soundest use of the resources  
2 with which our land and our surrounding waters and  
3 our air above us have been in doubt.

4 I feel that it is man who provides a value added  
5 concept to whatever that resource base is. Whether  
6 it is renewable or nonrenewable.

7 I feel, too, that the endless discussions that I  
8 have found in developing nations around the world,  
9 that redistributing an existing well is completely  
10 phoney, because there is no instance in history  
11 where this has been accomplished to the benefit  
12 of a large percentage of the people in the area  
13 concerned.

14 You are going to have an improvement in the socio  
15 economic conditions and the cultural conditions,  
16 you must have a new well created, and you create  
17 a new well by bringing together the human resource  
18 and the natural resource. Again, whether it is  
19 renewable or nonrenewable.

20 Being an educationist and an educator for forty-five  
21 years, I feel that that is a catalyst. We have  
22 been misusing it for odds and ends, and we have  
23 poured out to strange gods in the educational field,  
24 and we have lost site of what it is that education  
25 can do, what its real role is in improvement of the

1 conditions for man.

2 You see, what I would talk about is largely  
3 philosophic and humanistic.

4 And when I heard today the comments that we just have  
5 to stop carrying out your assignment, which is  
6 basically to inventory the natural resources of the  
7 North Slope area, find out what they are, and the  
8 adjacent area. That's your basic assignment.

9 These other things are peripheral. There is  
10 importance that should not be overlooked, but keep  
11 your eye upon the ball.

12 Let me give you an analogy. If you are playing  
13 golf and there is a dandelion, and if you take  
14 your eye off the ball when you are trying to drive,  
15 or to put -- in order to contemplate the dandelion,  
16 as much as you may love the thing, you are apt not  
17 to make a good drive.

18 That doesn't mean that you are going to crush the  
19 dandelion. It doesn't mean that you are not going  
20 to replace -- you are going to be concerned,  
21 otherwise you aren't going to have any place to play  
22 the second round if you tie up the first one.

23 But the basic assignment, as I understand it is, to  
24 make an inventory of the resource.

25 Now, down the line you have to provide some

1 suggestions as to how best, if we find something of  
2 value, can it be put into production at the benefit  
3 of the people of this nation, and to the people of  
4 the state of Alaska.

5 And I agree with those who have said that I think  
6 that the free enterprise group, private enterprise  
7 group, is going to get a better result than if you  
8 put it in the hands of government.

9 And again, I say this from a philosophic point of  
10 view.

11 I would observe that if all of the natural resources  
12 of a nation are -- or of a portion of that nation  
13 are in the hands of government, whether it is local,  
14 state or national, that the instance this becomes  
15 fact, that all of the human resources are also in  
16 the hands of government.

17 And we are back to where we were two hundred years  
18 ago, where the kings and the emporors owned all the  
19 land and the fish in the stream and the deer in  
20 the forest and all of my ancestors -- we are back  
21 to futilism, in other words.

22 To modify that, Dr. Beistline commented and Max  
23 Brewer and others -- I would say, yes, there is a  
24 role for government, but that role is not to attempt  
25 to do all things for all people, to have the ultimate

1 plan of perfection, so that all of the potential  
2 woes that might be said any of us, as individual  
3 human beings, however remote we are from the seat  
4 of mighty, would be resolved. It is just utter  
5 damn nonsense.

6 You can't undertake to solve all problems for  
7 everybody in advance of knowing what the problems  
8 are, even if you knew government cannot solve all  
9 problems for all people.

10 And our government was created to make it possible  
11 for people, for individuals, for men and women,  
12 young and old, to take care of themselves.

13 Do we not have legislation and regulations which  
14 seems to take away the very freedoms which our  
15 government was founded to guarantee.

16 I thought as I heard how -- the wonderful things we  
17 could learn during your exploration period. The  
18 launching of maybe a great liner (indiscernible),  
19 and I don't think that your purpose in carrying  
20 out your mission, that you are in a position to water  
21 it down by attempting to take on all the special  
22 interest that we could dream up.

23 I could talk to you about the music of the spheres  
24 and the wonders of the poetry of John Keatch, which  
25 happens to be my specialty, and I can tell you if

1 I am allowed to go up there funded by your project,  
2 I could do some marvelous things in reinterpreting  
3 Keatch.

4 It is not your assignment, and all I am asking  
5 here as a private citizen, retired, harmless,  
6 unemployed, for God's sake, keep your eye on the  
7 ball and get the inventory done as well as you can.  
8 And I would like, also, to caution you one final  
9 thing. That your inventory, no matter how well it  
10 is done, it will not be final.

11 I happened to be in Libia in 1955 as a guest of the  
12 Libian government, and of sixteen oil companies at  
13 the Waden Hotel, and that day it was announced the  
14 discovery of oil -- petroleum in Libia. The  
15 poorest nation in the world in 1955.

16 And I have just had the advantage of leafing  
17 through the thirty volume series of sceintific  
18 reports done by the scientists of Italy under the  
19 direction of Benicca Mussolini (phonetic), that  
20 concluded that there were no mineral resources of  
21 any sort in all of Libia.

22 So I want to suggest to you that there are advances  
23 in technology, there are advances in scientific  
24 knowledge, so long as we have free human beings in  
25 the world who can express their creativity and

1 ask once again, would anyone else like to share their  
2 wisdom with us today.

3 Well, hearing now, I urge any of you who has  
4 information you feel we should have that you do send  
5 it to us as quickly as you possibly can.

6 I am going to give you the address once again where  
7 we would like to have you send it.

8 Mr. Fred Chei, Deputy Regional Administrator for  
9 Alaska, Federal Energy Administration, Room G-11,  
10 Federal Office Building, 605 West Fourth Avenue  
11 Anchorage, Alaska.

12 And I can't stress too strongly the time limit that  
13 Congress has given the Federal Energy Administration.  
14 It is terribly short, so we do need the statements  
15 as soon as you could get them to us.

16 I am always pleased when I come to Alaska because  
17 I certainly learned a lot of things that I did not  
18 know.

19 I want to thank the Chamber of Commerce for making  
20 this facility available to us, and all of those who  
21 helped arrange this meeting, and all those who came,  
22 and all those who shared their wisdom with us.

23 And with this, this conference meeting is  
24 adjourned.

25 \*\*\*\*\*

1 pursue their individual enthusiams on their own, and  
2 that you will have a need to go back and reinventory  
3 periodically, unless you are denying that man is  
4 plausible of improving himself and the conditions  
5 that he lives in in the world.

6 But full speed ahead. Let's get the inventory  
7 done. We desperately need it. And not just  
8 petroleum and gas -- not just hard rock, but everything  
9 else that is in an inventory.

10 What is the resource of that part of the world? What  
11 is it? That's the first step. The second step  
12 is, what the hell do we do with it. That comes  
13 next.

14 Thank you.

15 I really aprpreciate your coming here. I'm a little  
16 embarrassed because I upped and spouted off, because  
17 I really don't know anything about the north.

18 You heard some people today who do, and I hope you  
19 will keep in close communication with them, and it  
20 will be to your advantage.

21 Thank you so much.

22 MR. ROBERTSON:

23 Thank you for that very fine statement.

24 Any questions from the panel.

25 Dr. Woods is a hard act to follow, but I'm going to



WRITTEN TESTIMONY SUBMITTED

TO

FAIRBANKS OFFICE

\* \* \* \* \*

1) MORGAN, H. Morris

2) STERN, Richard O.

\*

\*

\*

\*

\*

1 Tanana Chiefs Conference, Inc.  
2 Doyon Building  
3 First and Hall Streets  
4 Fairbanks, Alaska 99701

April 9, 1976

5 Mr. Don Jean, Director  
6 Energy Resources  
7 Federal Energy Administration  
8 Room G-11, Federal Office Building  
9 605 West 4th Avenue  
10 Anchorage, Alaska 99501

11 Dear Mr. Jean:

12 As per a verbal request yesterday at the Federal Energy  
13 Administration Conference in Fairbanks, we submit the  
14 following in answer to a question raised at the reading  
15 of the Tanana Chiefs Conference resolution regarding the  
16 haul road.

17 The question was: What village would be adversely affect-  
18 ed by the opening of the haul road?

19 These villages are Minto, Manley Hot Springs, Rampart,  
20 Stevens Village, Allakaket, Alatna and Bettles-  
21 Evansville.

22 The haul road does not transect any village listed above,  
23 however, the movement of game has been disrupted by the  
24 traffic now using the haul road. We have much testimony  
25 from villages concerned with a diminishment of their  
traditional subsistence patterns.

\*

1 The opening of the road would additionally put more  
2 pressure on the already decreasing wildlife of the region  
3 and cause hardship to the people who live there.

4 \*

5 The question of consistency of the position of the Tanana  
6 Chiefs Conference and Doyon Corporation was raised at the  
7 Conference by an observer who was ignorant of the separate  
8 nature of the above organizations.

9 The Tanana Chiefs Conference is a non-profit social  
10 services organization which has no part in oil explor-  
11 ation. However, there is no opposition to resource  
12 inventory development and the position on the road is  
13 limited to general public use not to closing the road  
14 completely.

15 Thank you for the opportunity to make known our concerns.

16 Yours truly,

17 /s/ H. MORRIS MORGAN  
18 Senior Planner  
19 Tanana Chiefs Conference,  
20 Inc.

21 HMM/cd  
22  
23  
24  
25

Institute of Arctic Biology  
Archeology Project

UNIVERSITY OF ALASKA  
Fairbanks, Alaska  
9 April 1976

FEA Deputy Regional Administrator for Alaska  
Federal Energy Administration  
Room G 11  
Federal Office Building  
605 West 4th Avenue  
Anchorage, Alaska

Dear Sir:

I wish to submit the following comments for consideration in the planning of mineral and oil/natural gas exploration and development in Naval Petroleum Reserve 4.

\*

At the 'conference' held in Fairbanks, 8 April 1976, certain parties gave the impression in their statements that cultural resources (prehistoric and historic archeological sites) would not be found within PET 4 at any location except along the coast. This is not the case. Despite the limited archeological reconnaissance that has been undertaken within PET 4, the vast majority of the reserve has never been systematically examined for the presence of archeological resources. Personal experience in the region, and communications both published and unpublished from other archeologists indicate that

archeological resources exist within all portions of the region including the Arctic Coastal Plain and the headwaters of rivers within the Brooks Range.

\*

In the exploration for natural resources, unfortunately it has been the case that exploration parties first in the area are often the first to discover and to damage archeological sites. Executive Order 11593, May 15, 1971 Protection and Enhancement of the Cultural Environment, charges Federal agencies with the location and inventory of sites within their jurisdiction. To date such an inventory has not been undertaken for PET 4. To do so would be expensive and difficult. However, as part of the planning for natural resource exploration and development, it is less difficult. The management of the cultural resources within PET 4 must precede and coordinate with the development of the natural resources.

\*

I strongly urge that the FEA use its authority and good offices to see that the archeological resources of PET 4 are properly managed during the course of natural resource exploration and development.

\*

\*

1 The FPC has recently undertaken an archeological evalu-  
2 ation in conjunction with planning for the Alaskan gas  
3 pipeline (see Iroquois Research Institute, a Study of  
4 Archeological and Historic Potential Along the Trans-  
5 Alaskan Natural Gas Pipeline Routes, Related to an Appli-  
6 cation filed in Docket Number CP-75-96, et al, March 21,  
7 1974). They may be able to offer advice with regard to  
8 archeological management. In addition, BLM and NPS  
9 are charged with protection of cultural resources and may  
10 be able to clarify the responsibilities of the FEA with  
11 regard to cultural resource management.

12 \*

13 Thank you for the opportunity to comment.

14  
15 Sincerely yours,

16 RICHARD A. STERN (s)

17  
18 cc: Mr. Russell Cahill  
19 Mr. Douglas Reger  
20 Mr. Curt Wilson  
21 Mr. Thomas F. King  
22 Advisory Council on Historic Preservation  
23 North Slope Native Regional Corporation  
24 Dr. Max Brewer  
25 Federal Energy Administration, Washington, D.C.

\*